

EXHIBIT C

Filed: USBC - Southern District of New York
Lehman Brothers Holdings Inc., Et Al.
08-13555 (JMP) 0000029702

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK



-----X
In re:

LEHMAN BROTHERS HOLDINGS, INC.,

Chapter 11
Case No. 08-13555 (JMP)

Debtor.

**AMENDED CLASS PROOF OF CLAIM ON BEHALF OF FORMER EMPLOYEES
OF DEBTORS FOR UNPAID SALARY CONTINUATION AND BENEFITS**

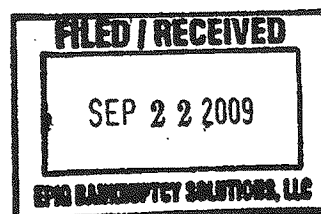
This Class Proof of Claim is filed against the Debtor, pursuant to Rules 23(a), (b)(1)(B) and 23(b)(3) of the Federal Rules of Civil Procedure, and Bankruptcy Rule 7023, by Cynthia Swabsin and Alexander Leytman (the "Representative Claimants"), on behalf of themselves and the other similarly situated former employees of the Debtor (the "Class Claimants"). Plaintiffs and similarly situated employees seek priority administrative expense treatment under 11 U.S.C. § 503 (a) or alternatively wage/benefit priority claims under 11 U.S.C. § 507(a)(4), (5) for their claims for salary continuation and benefits under employment/severance agreements (attached hereto as Exhibit A). The Representative Claimants estimate there are approximately 500 Class Claimants.

The Representative Claimants and the Class Claimants constitute a class within the meaning of Fed. R. Civ. P. 23(a),(b)(1)(B) and 23 (b)(3) and Bankruptcy Rule 7023.

The Representative Claimants and Class Claimants entered into agreements with the Debtor on or about September 9, 2008, entitling them to amounts in the form of salary continuation and benefit which amounts were not paid after September 17, 2008.

The identity of each of the other Class Claimants and the amounts they are owed are shown on the books and records of the Debtor.

The amount of the claim for the Representative Claimant Cynthia Swabsin for unpaid



salary continuation wages is approximately \$101,670.30.

The amount of the claim for the Representative Claimant Alexander Leytman for unpaid salary continuation wages is approximately \$51,098.82.

The exact amount of the wage and benefit claims of each of the Class Claimants are unknown to the Representative Claimants but is reflected in the Debtor's books and records, from which the exact amount of each such claim hereunder and the total claim hereunder can be calculated by the Debtor. The Representative Claimants estimate that the total amount of the Class Claimants' claims is Twenty Million (\$20,000,000) Dollars.

The Representative Claimants also seek on their own behalf, and on behalf of the Class Claimants, an allowed administrative priority claim under 11 U.S.C. § 503 for the reasonable attorneys' fees and the costs and disbursements incurred in prosecuting this action.

Dated: September 22, 2009

Respectfully submitted,

/s/ Jack A. Raisner

Jack A. Raisner

René S. Roupinian

Outten & Golden LLP

3 Park Avenue, 29th Floor

New York, New York 10016

Telephone: (212) 245-1000

Christopher D. Loizides

LOIZIDES, P.A.

1225 King Street, Suite 800

Wilmington, Delaware 19801

Telephone: (302) 654-0248

Facsimile: (302) 654-0728

*Attorneys for the Representative Claimants
and putative Class Claimants*

EXHIBIT A

LEHMAN BROTHERS

SUSAN FALBE
SENIOR VICE PRESIDENT

September 9, 2008

REDACTED
By Hand

Dear REDACTED:

This is an agreement and release concerning your separation from employment by Lehman Brothers. If you sign and comply with this agreement, you will receive the payments and benefits discussed below.

Effective Dates, Payments and Benefits

1. Today will be the last day that you are expected to report to work.
2. Provided you sign and comply with this agreement, you are eligible to continue to receive your current base salary and benefits coverage through the earlier of November 21, 2009 or the date on which you become actively employed with another firm (the "separation date"), as follows.
 - a. You will continue to receive your current base salary and benefits continuation through November 8, 2008 (the "notice period").
 - b. Immediately after the notice period and in lieu of a lump sum separation payment consisting of weeks of severance pay and two weeks of unused vacation pay, you will continue to receive your current base salary and certain benefits continuation, including medical benefits, through November 21, 2009.

Salary continuation will be paid on a biweekly basis at your current biweekly base salary rate, in accordance with the Firm's regular payroll practices. While you are on salary continuation, you will be eligible to continue your benefits coverage under the terms of our plans. All payments will be subject to withholding, payroll taxes and other applicable deductions.

3. In addition, you will receive a special separation payment in the amount of \$3,000, less withholding, payroll taxes and any other applicable deductions, payable within four weeks of your separation date.
4. Lehman Brothers has retained Lee Hecht Harrison to provide you with outplacement counseling services. These services are designed to assist you with counseling on resume writing, interviewing skills, networking techniques, and a job search campaign. We encourage you to take advantage of these services in order to ensure a smooth career transition. To sign up, please call Sasha Hohri at (866) 949-3325.
5. You and your covered dependents, pursuant to the COBRA law, may be eligible to continue health insurance coverage for up to 18 months from your separation date, at your own expense. Your right to continue or convert coverage (including COBRA coverage) after your separation date will be governed by the terms of our plans.
6. Your rights to benefits under any employee benefits plans will be determined in accordance with the terms of such plans. Our employee benefits plans may be modified or terminated at any time.

REDACTED

page 2

7. Should you become employed by another firm as an employee, consultant or independent contractor at any time while you are on salary continuation, you are obligated to inform the Firm so that you can be terminated from the Firm's payroll at that time. This date will be your separation date for purposes of this agreement. As of this separation date, your salary and benefits coverage continuation will end. Provided you have signed and complied with this agreement, you will receive a lump sum payment representing the remainder of the payments described in paragraph 2, plus the payment described in paragraph 3, payable within 4 weeks of your separation date.
8. Should you be rehired by Lehman or any of its subsidiaries or affiliates as an employee, consultant or independent contractor at any time through your separation date you will no longer be eligible to receive the remainder of the payments described in paragraph 2 or the full payment described in paragraph 3.
9. As you are aware, for certain of your outstanding and unvested restricted stock unit awards ('RSUs') granted to you in connection with the Lehman Brothers Equity Award Program, you are expressly required to execute a release agreement as a condition of 'involuntary termination without cause' treatment under those awards. If you sign and comply with this separation agreement, you will satisfy the release requirement applicable to such awards.

Complete Release

You agree to forever release Lehman Brothers Inc., any of its affiliated companies, past and present parents, subsidiaries, divisions and present and former employees, officers, directors, successors and assigns from all claims you may now have based on your employment with any Lehman affiliate or the separation of that employment, to the maximum extent permitted by law. This includes a release, to the maximum extent permitted by law, of any rights or claims you may have under: the Age Discrimination Employment Act, which generally prohibits age discrimination in employment; Title VII of the Civil Rights Act of 1964, which generally prohibits discrimination in employment based on race, color, national origin, religion or sex; the Equal Pay Act, which generally prohibits paying men and women unequal pay for equal work; the Americans with Disabilities Act, which generally prohibits discrimination on the basis of disability; the Employee Retirement Income Security Act of 1974, which governs the provision of pension and welfare benefits; and all other federal, state or local laws prohibiting employment discrimination. This also includes a release by you of any claims for wrongful discharge, any compensation claims, or any other claims under any statute, rule, regulation, or under the common law. This release covers both claims that you know about and those you may not know about.

Non-disclosure Provisions

You agree not to disclose to anyone except your immediate family, accountant, and lawyer any information relating to the subject matter or existence of this agreement, including the dollar amount set forth, except to the extent required by legal process. Any disclosure to your immediate family, accountant or lawyer shall be made only upon their agreement not to disclose these terms to another person. Notwithstanding the foregoing, the parties may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided to either party relating to such tax treatment.

Firm Property; Confidential Information

You agree that all proprietary or confidential information concerning Lehman, its business or customers which you learned, received, or developed while an employee of Lehman is and shall

REDACTED

page 3

remain the exclusive property of Lehman. You agree that you will not, without Lehman's express written consent, (1) disclose any of Lehman's confidential or proprietary information to any entities or individuals outside of Lehman, including to any competitors, the media, or other third parties, or (2) use such information for your own personal benefit or for the benefit of any individual or entity other than Lehman. You further agree to return to Lehman any and all Lehman property that you possess, including Lehman confidential or proprietary information, within one week after your last day of active employment.

Registration

If you are currently registered with Lehman, your registration will cease as of your last day of active employment. Once you join another firm, you should immediately contact the new firm's Registration Department to transfer your registrations, as the transfer does not occur automatically. Your new firm should have you complete a new U-4 form.

Disparaging Remarks

You agree not to make any remarks now or at any time in the future to any third party, including to a client, a competitor, or the media, that could be detrimental in any way to Lehman or to individual directors or employees of Lehman. This does not restrict your ability to respond to any inquiry that you may receive from applicable regulatory authorities or to disclose information pursuant to subpoena or legal process.

Future Cooperation

You agree to reasonably cooperate with Lehman, its financial and legal advisors and/or government officials in connection with any business matters in which you were involved or any claims, investigations, administrative proceedings or lawsuits which relate to your Lehman employment. Related travel and accommodation expenses will be reimbursed in accordance with Lehman's standard policies.

Arbitration

Any controversy arising out of or relating to this agreement shall be submitted to arbitration pursuant to the constitution and rules of the Financial Industry Regulatory Authority (FINRA).

Consultation with Attorney

You have been advised to consult with an attorney concerning this agreement and acknowledge that you have had ample opportunity to do so before signing.

Separation Booklet

You acknowledge that you have received and reviewed a copy of the Firm's booklet, "Guide to Leaving Lehman Brothers."

Employment Inquiries

It is the Firm's policy to provide only limited information to non-Lehman individuals or organizations. Verify Job System, the vendor retained to provide this information, will disclose dates of employment and your last job title. Requestors can access the verification system online at

REDACTED

page 4

www.vjsus.com or by calling 800-800-4857. Requestors will need your Social Security number in order to verify your employment information for a nominal fee. This shall not restrict Lehman's ability to provide complete information with respect to your employment when expected to do so under applicable regulatory requirements.

Entire Agreement

This agreement constitutes the entire agreement between the parties and cannot be altered except in writing signed by both parties. The terms of this agreement supersede any other oral or written arrangement between you and the Firm with respect to your employment or the separation of your employment by the Firm including but not limited to any entitlements you may have under the Firm's severance policy. Both parties acknowledge that no representations were made to induce execution of this agreement, which are not expressly contained in this agreement.

Successorship; Controlling Law

This agreement will be binding on Lehman and its successors and assigns and will also be binding on you, your heirs, administrators, executors and assigns. This agreement will be construed under the substantive law of the State of New York, without regard to conflict of law principles.

Separation Program

You acknowledge that the separation payments and benefits recited in this agreement are being offered to you as part of a separation program (the 'Program') offered to certain employees whose employment is being terminated. The Program is described in Appendix A, which is attached to this agreement. The provisions of Appendix A are incorporated into this agreement and considered a part of this agreement.

Period for Review and Consideration of Agreement

You have been given a period of forty-five (45) days from the date of this letter to review and consider this agreement before signing it. Please return this document to Karen Coviello in one of the following ways:

By Mail:	1271 Avenue of the Americas New York, NY 10020
or by Fax:	212-520-0272
or by E-Mail:	karen.coviello@lehman.com

You may use as much of this of forty-five (45) day period as you wish prior to signing. If you have not signed and returned this agreement by that date, you will not be eligible to receive the payments and benefits described in this agreement.

Employee's Rights to Revoke Agreement

You may revoke this agreement within seven (7) days of your signing it. Revocation can be made by delivering a written notice of revocation to Karen Coviello at the address noted above. If you revoke this agreement it shall not be effective or enforceable and you will not receive the payments described in this agreement.

REDACTED

page 5

You acknowledge that you have read this agreement, understand it and are voluntarily entering into it.

LEHMAN BROTHERS INC.

A handwritten signature in black ink, appearing to read "S. Falbe", written in a cursive style.

Susan Falbe

REDACTED

LEHMAN BROTHERS HOLDINGS INC.

September 30, 2008

Dear REDACTED

We are disappointed to inform you that as a result of the bankruptcy of Lehman Brothers Holdings Inc. and the placement of Lehman Brothers Inc. into a liquidation proceeding under the Securities Investor Protection Act (SIPA), Lehman Brothers is unfortunately no longer able to provide the salary continuation or other payments described in your separation agreement. As a result, you will not receive a payment on October 3, 2008 or thereafter.

You may continue to be covered under any current medical, dental and/or vision benefits through the end of your original salary continuation date as set out in your separation agreement. Because you will no longer receive salary continuation payments from which your employee contributions for these benefits can be deducted, you will be billed monthly for these costs. An invoice will be mailed to your home with instructions on how and when to return your payment. Your current coverage is in effect and will remain in place subject to timely payment of your contributions.

The cost to you for medical, dental and/or vision coverage will remain the same through December 2008 but may increase in the future. As of your termination date, you may be eligible to continue these benefits for up to 18 months under COBRA.

For other voluntary benefits you may be covered under, you will receive a mailing directly from the insurance carrier to continue your coverage on a direct bill basis (for example, MetLife Auto & Home, Mass Mutual Group Variable Universal Life Insurance, Hyatt Legal).

As a matter of federal law, the assets of the Lehman Brothers Savings Plan (401(k) plan) and Lehman Brothers Holdings Inc. Retirement Plan (pension plan) are protected from the claims of Lehman Brothers' creditors. Information about these entitlements is available through Fidelity NetBenefits at www.netbenefits.fidelity.com or by calling 1-866-534-6266.

If you are owed additional severance payments that cannot be paid at this time as a result of the various Lehman bankruptcy proceedings, you will have claims for these amounts that can be filed as part of the bankruptcy process. At some point in the future, you will be receiving notification of the procedures for the filing of claims and the date by which the claims must be filed. A deadline for filing claims has not yet been set.

Also, if you have not yet done so, you may wish to apply for unemployment insurance benefits in your state. Information about applying for unemployment benefits is enclosed.

We recognize that this is difficult news and that you may have questions about this situation. Please call the Lehman Brothers HR Service Center at 212.526.2363. They can answer your questions or direct your call to someone who can.

Very truly yours,

LEHMAN BROTHERS HOLDINGS INC.

C
O
U
R
T

D
O
C
K
E
T

LN
RECEIVED BY:

09/22/09
DATE

4:55
TIME